

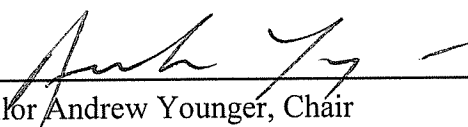
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PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
February 20, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Councillor Andrew Younger, Chair
Energy and Underground Services Advisory Committee

DATE: February 16, 2007

SUBJECT: Undergrounding at Herring Cove Wastewater Treatment Plant

ORIGIN

Meeting of the Energy and Underground Services Advisory Committee of February 16, 2007.

RECOMMENDATION

The Energy and Underground Services Advisory Committee recommend the scope of the Harbour Solutions Project be amended to include the rerouting of the aerial power to the Herring Cove Wastewater Treatment Plant from the east side of the driveway to the west side by the use of a 45 metre section of underground conduit; with funding to be provided from the Energy and Underground Services Reserve (Q131).

BACKGROUND

At the February 16, 2007 meeting of the Energy and Underground Services Advisory Committee, staff brought forward an information report outlining a request from the Herring Cove Community Liaison Committee with regard to rerouting the power poles to the Herring Cove Wastewater Treatment Facility.

DISCUSSION

Following discussion, a motion was passed recommending that the scope of the Harbour Solutions Project be amended to include the rerouting of power and that it be funded from the Energy and Underground Services Reserve account (Q131).

BUDGET IMPLICATIONS

Outlined in the attached staff report.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating and Capital budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation. If approved, this will increase the 2006/07 approved reserve withdrawals.

ALTERNATIVES

N/A

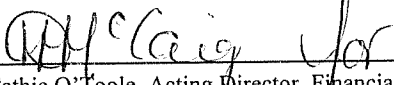
ATTACHMENTS

Staff report dated February 2, 2007 to the Energy & Underground Services Advisory Committee.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report prepared by Sheilagh Edmonds, Legislative Assistant, Municipal Clerk's Office

Report approved by:

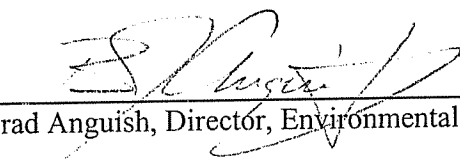

Cathie O'Toole, Acting Director, Financial Services, 490-6308



PO Box 1749
Halifax, Nova Scotia
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**Energy & Underground Services Advisory Committee
February 16, 2007**

TO: Chairman and Members of EUGS Advisory Committee

SUBMITTED BY: 
Brad Anguish, Director, Environmental Management Services

DATE: February 2, 2007

SUBJECT: Alternate Routing of Power Supply to the Herring Cove Wastewater Treatment Facility

ORIGIN

This report originates from staff as a result of a request from the Herring Cove Community Liaison Committee (CLC) requesting that Halifax Harbour Solutions Project (HHSP) reconsider the positioning of the power poles and relocate them to the right hand side of the driveway.

BACKGROUND

On September 23, 2003, Council authorized the acquisition of 19 acres of land at Hospital Point for the Herring Cove Waste Water Treatment Facility (WWTF) site, and on November 18, 2003 authorized the acquisition of a parcel of land for the purpose of accessing the Herring Cove WWTF site. Since the actual footprint of the WWTF only covers part of the site, the remaining land will be used by the community as green space.

DISCUSSION

The Design/Builder of the HHSP proposed to supply power to the Herring Cove WWTF with utility poles along the east (left hand) side of the access road. This proposed arrangement meets the project requirements. However, the Herring Cove CLC also planned to develop a trail within this green area and their trail was to be located on the east side of the access road. The Herring Cove CLC and HRM trail coordinator feel that the power poles on the east side will negatively impact the view of the ocean as visitors walk down the trail from Village Road.

The contractor investigated various potential options as follows:

1. Move the utility poles from the east side to the west side. This would have involved moving aerial lines from the existing pole on the east side of the access road to the west side. There are two issues that have to be resolved for this option:
 - The installation of two guide poles to install guide wires to support the utility pole due to the proposed change of direction of the aerial lines. Due to limited space available within the driveway, these guide poles have to be located on adjacent properties. HHSP has been unsuccessful in getting permission for the installation of one of these poles from the property owner.
 - HRM Urban Forestry has some concerns granting permission to trim the tree branches on the property.

This option, therefore is not available for implementation.

2. Install a pole at the most westerly corner of the access driveway at Village Road and continue on to the WWTF. Due to the topography and the narrow width of Village Road, a pole at this location would make the accessing of the WWTF site extremely difficult.

Even if the access road was shifted to the east side as much as possible, however, it would barely provide enough room to manoeuver the specialty biosolids trailer to the WWTF under ideal conditions. With build-up of snow at the edge of the road in the winter, it would be extremely difficult and may create a dangerous condition. Further, there is still one issue that has to be resolved for this option, HRM Urban Forestry has to authorize the required tree branches trimming. This option therefore is not recommended for implementation because of safety reasons.

3. To eliminate the requirement of the guide wires and poles, the switching of the power from the east to west can be carried out with the use of underground conduit. This would involve the installation of a 45 metre section of underground reinforced concrete power and telecommunications ductbank. This section of ductbank will allow the aerial lines from Village Road to be taken underground from the existing pole on the east side of the access road entrance to the west side of the access road bypassing the western corner of the access road and the area required for tree trimming. The estimated cost is \$43,400.00 plus applicable tax of \$1,500 for a total of \$44,900.

Staff and the HHSP contractor are unable to come up with a more economical solution to relocate the power poles to the west side of the access road.

Staff are seeking advice and direction from Energy & Underground Services Advisory Committee as to whether the scope of the Harbour Solutions Project is to be amended to include undergrounding and, if so, how will it be funded.

Potential funding options include:

- a. Community Integration Funds: The community has approximately \$300K which they wish to dedicate towards recreation space development, primarily trails. These funds are yet to be committed.
- b. Underground Services Reserve (Q131): Funds from account CDV00736, (\$725K for undergrounding along Hollis Street), could be folded into the Reserve and made available for the project.
- c. 2007/08 Capital Budget in the form of a Councillor request.
- d. Harbour Solutions Project contingency fund.

BUDGET IMPLICATIONS

Presently, the alternate routing of the Power Supply is not included in the overall Halifax Harbour Solutions Project.

As of December 31, 2006, the forecasted uncommitted contingency balance is \$1.89 Million. Since then, the delay in completion of the Wastewater Treatment Facilities has become known and could result in a potential \$2.5 to \$3.0 million in inflation savings to HRM. It must be cautioned however that these additional contingency funds have yet to be realized, and the contractor is in complete control of the length of delay and therefore the ultimate size of the contingency. There are numerous pressures on the uncommitted contingency as follows:

- Herring Cove Sewer and Water Funding
- Design and Construction costs due to change in law
- Potential insurance claim deductible (up to \$400K)
- Changes in insurance market
- Further inflation increases as current inflation is hovering close to the committed contingency forecast of 6.0%. If inflation was to increase to 7%, the project would incur approximately \$650,000 in additional costs over the remainder of the project.
- Design improvements for long term operational efficiency
- Other community/councillor requests

The current contingency funding represents less than 1.5% contingency for the remaining scope of the Project, which is extremely low. Much of the Project's successful image has been created by the fact that staff have not had to continually return to Council looking for additional funds to complete the Project, thereby triggering potential additional water rate increases for rate payers.

Further, funds collected for Harbour Solutions Project are held in the WW Capital Reserve (Q105). Any contingency funds remaining at the end of the Project should be directed to HRM's wastewater capital liabilities which currently exceed \$200 million. It is therefore difficult for Project staff to recommend the use of WW Capital funds to facilitate moving the overhead wires to the other side of the access road.

Given these reasons, Project staff feel it would be more appropriate for the Councillor to seek this additional funding through the alternate funding options identified above.

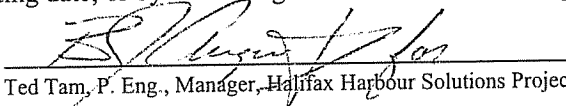
FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

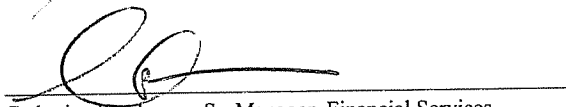
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

- HSP Contingency Funding could be used to fund the project; however this approach is not recommended for reasons given in this report.
- Funding could be sought through the alternate means as identified in this report. This is staff's recommended approach.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: 
Ted Tam, P. Eng., Manager, Halifax Harbour Solutions Project, 490-6130

Report Approved by: 
Catherine Sanderson, Sr. Manager, Financial Services